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Paper in peril

Star-News fights for survival

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WASHINGTON—In one of the most important stories unfolding in the capital this year, a major newspaper is making the news as well as covering it.

It is the venerable evening newspaper, the Washington Star-News. And the story—a journalistic cliffhanger—is the saga of the Star-News's fight for survival.

In an era when American newspapers are laboring under unprecedented pressures, including record costs of newsprint and labor, it seems unthinkable that one of the newsiest cities in the world is down to two newspapers—and one of those is shaky.

YET NOW that the rich and powerful Washington Post has absorbed the Times Herald [in 1954] and the Star has gobbled up the Daily News [in 1972], the combined Star-News is still in serious economic difficulty.

Three newspapers are widely read here, the two Washington journals and The New York Times.

Thus, the nation's decision-makers get much of their view of the nation, the world and the sprawling government from these newspapers, and the Star-News is the only conservative voice of the three.

Founded in 1853, the Star was owned and managed proudly for a century by members of three aristocratic families named Noyes, Adams, and Kauffmann. As recently as 1958, the Star still threw the longest shadow on the Washington journalistic scene.

But in less than two decades, the paper has been completely outclassed both editorially and business-wise by the aggressiveness of its morning competitor, the Washington Post.

According to the most recent figures, the Star-News trails the Post in daily circulation by the awesome margin of 521,114 to 379,599. More important, in the lucrative Sunday field the Post has built up a staggering lead, 702,679 to 347,813.

Advertising, a major source of revenue, is even more favorably stacked for the Post. In 1974, the Post sold more than twice as much advertising as the Star-News, and was able to charge considerably more for equivalent space.

For more than a decade now, journalists and other critics from outside have attributed the steady decline in the paper's fortunes to inept direction by the family managers.

Prospective buyers were courted by the Star-News several times in recent years, but the deal usually floundered on the insistence that the dozen or so family members who drew sizeable salaries and fringe benefits be permanently retained by any new owner.

But after the Star-News losses came to average almost \$5 million annually for the last three years—\$4.5 million, the Noyes-Adams-Kauffmann managers belatedly bowed to the inevitable.

After protracted negotiations, operating control of the paper was ceded tentatively last fall to 50-year-old Joe L. Albritton, a Houston millionaire-banker with an impressive track record for resuscitating moribund businesses.

Since then, the paper's top business and news executives, President Jack Kauffmann and Editor Newbold Noyes, have resigned, and most of the other family members employed are expected to follow.

To replace Noyes, Albritton has hired one of the best known talents in American journalism, James Bellows, who most recently has been producing classy feature sections for the Los Angeles Times.

Sure enough as the recession took hold, unofficial totals in the last half of 1974 indicate the paper's ad lineage was even 1.8 million less than the unhappy, \$5-million-deficit year of 1973, for a decline of 4.4 per cent.

Faced with such unbearable deficits, Albritton was forced to pursue extraordinary moves to slow the tide of red ink.

He persuaded the pressman's union to accept work rules changes designed to cut down on expensive overtime.

When Albritton pressed the Star-News Newspaper Guild to accept layoffs of 100 or more employees, the union countered with the proposal that all 500 Guild members would instead agree to work only four days per week for four days' pay, thus accepting a salary cut of 20 per cent.

Albritton will have to win similar concessions from other unions, such as the printers, who are traditionally tougher negotiators.

But the paper's immediate future seems more contingent on Albritton's petition for the Federal Communications Commission to waive a rule that would otherwise require him to break up the combine of seven radio and television stations which has provided the parent Star company's only net revenues in recent years.

Without such a waiver, the petition warned ominously, "there looms the very real possibility that Washington and the nation will lose the journalistic voice of the Washington Star-News."